

REMARKS

Claims 1-40 and 42-118 are currently pending in the Application. By this amendment, Applicants amend claims 1, 10, 11, 14, 21-23, 30-32, 39, 40, 42, 43, 89 and 96, and cancel claims 9, 20, 29, 38, 41, 64, 72, 80, 88 and 114-117.

In the Final Office Action, the Examiner: (1) rejects claims 14-22, 48-50, 65-72, 89-91, 42, 43, 96, 99-113 and 115 under 35 U.S.C. § 101 as being related to non-statutory subject matter; and (2) rejects claims 1-40 and 42-118 under 35 U.S.C. § 103(a) as being unpatentable over O'Neil et al. (U.S. Pat. No. 5,987,440) in view of Goldhaber et al. (U.S. Pat. No. 5,855,008).

In light of the above amendments and based on the following remarks, Applicants submit that claims 1-8, 10-19, 21-28, 30-37, 39, 40, 42-63, 65-71, 73-79, 81-87, 89-113 and 118 are allowable over O'Neil et al. and Goldhaber et al., taken either alone or in combination.

I. The Interview Conducted August 10, 2004

Applicants wish to thank Examiner Borissov for the courtesies extended during the interview held on August 10, 2004 with Applicants' representative. During the interview, Applicants' representative argued that claims 14-22, 42, 43, 48-50, 65-72, 89-91, 96, 99-113 and 115 are drawn to statutory subject matter. Applicant's representatives further explained the differences between the recitations of the pending claims and O'Neill et al., Goldhaber et al. and or Stefik et al., whether taken alone or in combination. See *Interview Summary dated August 10, 2004*. In response, Examiner

Borissov agreed to reconsider the current rejections in light of Applicants' arguments.

Applicants submit the following arguments to amplify those advanced in the interview.

II. The finality of the Final Office Action dated May 14, 2004

In a telephone interview with Applicants' representative on July 28, 2004, the Examiner indicated that the finality of the Final Office Action would be withdrawn because it set forth a new ground of rejection that was not necessitated by an amendment to the claims. See *Interview Summary dated July 28, 2004*.

As discussed with the Examiner, claims 42, 43 and 89-91 are rejected under 35 U.S.C. § 101 as being related to non-statutory subject matter. *Final Office Action*, p. 2., II. 7-8. This is a new grounds of rejection. Compare *Final Office Action with Office Action dated November 19, 2003*. However, these claims were not amended in the response to the Office Action dated November 19, 2003. Consequently, the finality of the Office Action dated May 14, 2004, was improper. See M.P.E.P. § 706.07(a) (8th Ed., Rev. 1, Feb. 2003) (actions on the merits shall not be made final "where the [E]xaminer introduces a new ground of rejection that is neither necessitated by applicant's amendment of the claim nor based on information submitted in an [IDS] filed [under 37 CFR 1.97(c)]").

II. Claim Rejections – 35 U.S.C. § 101

Claims 14-22, 42, 43, 48-50, 65-72, 89-91, 96, 99-113 and 115 are rejected under 35 U.S.C. § 101 as allegedly being related to non-statutory subject matter. By

this amendment, Applicant amends claims 14, 42, 43, 89 and 96 and cancels claims 20, 72 and 115. Applicant traverses this rejection as to claims 14-19, 21, 22, 42, 43, 48-50, 65-71, 89-91, 96 and 99-113 because these claims produce a useful, concrete, and tangible result and are therefore directed to statutory subject matter.

In the rejection, the Examiner alleges that “the *independently* claimed steps ... are abstract ideas which can be performed mentally without interaction of a physical structure” and asserts that “[b]ecause the *independently* claimed invention is directed to an abstract idea which does not recite a limitation in the technological arts, those claims and claims depending from them, are ... non-statutory” See *Final Office Action*, p. 2, II. 8-20 (emphasis added). Applicants respectfully disagree for the following reasons.

First, the rejection of dependent claims 15-19, 21, 22, 48-50, 65-71, 90, 91 and 99-113, based solely upon the recitations of independent claims 14, 42, 43, 89 and 96, is wholly improper:

[W]hen evaluating the scope of a claim, every limitation in the claim must be considered. Office personnel may not dissect a claimed invention into discrete elements and then evaluate the elements in isolation. Instead, the claim as a whole must be considered.

M.P.E.P. § 2106(II)(C) (8th Ed., Rev. 1, Feb. 2003) (citing *Diamond v. Diehr*, 450 U.S. 175, 188-89, 209 USPQ 1, 9 (1981)).

Because the rejection of dependent claims 15-19, 21, 22, 48-50, 65-71, 90, 91 and 99-113 is not based upon a consideration of these claims as a whole, the Examiner has failed to set forth a *prima facie* case that these claims are non-statutory. Accordingly, Applicants respectfully request that the Examiner either indicate why each

of dependent claims 15-19, 21, 22, 48-50, 65-71, 90, 91 and 99-113, considered as a whole, are allegedly non-statutory or withdraw the rejection as to these claims.

Second, the Examiner's assertion that certain of the recitations of independent claims 14, 42, 43, 89 and 96 "are abstract ideas which can be performed mentally without the interaction of a physical structure" is not an indication that the claims are non-statutory. In fact, a process may be statutory even where "some or all of the steps can ... be carried out in ... the human mind." *In re Musgrave*, 167 USPQ 280, 289 (CCPA 1970).

According to the Federal Circuit, if a claim includes recitations that produce "a concrete, tangible and useful result," the claim is not abstract and has practical utility. See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368, 1373 (Fed. Cir. 1998); *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 1358 (Fed. Cir. 1999). And, if the claim is not abstract and has practical utility, it is statutory under 35 U.S.C. § 101. *Id.*; see also, M.P.E.P. § 2106(IV)(B)(2)(b)(ii) (8th Ed., Rev. 1, Feb 2003) ("A claim is limited to a practical application [i.e., is directed to statutory subject matter,] when the method, as claimed, produces a concrete, tangible and useful result; i.e., the method recites a step or act of producing something that is concrete, tangible, and useful."). Consequently, if claims 14-22, 42, 43, 48-50, 65-72, 89-91, 96, 99-113 and 115 produce a useful, concrete, and tangible result, then this in and of itself establishes them as being drawn to statutory subject matter.

Under the proper standard, it is clear that independent claims 14, 42, 43, 89 and 96 produce a useful, concrete and tangible result and are therefore drawn to statutory subject matter. For example, each of claims 14, 42, 43, 89 and 96 recites, "paying each

of the users based on the licensing fee schedule and a set of payment rules.”* This produces a useful, concrete, and tangible result by providing a payment from one party to another. “Paying” is not an “abstract idea which can be performed mentally without the interaction of a physical structure.”

Third, although Applicants believe claims 14, 42, 43, 89 and 96 were drawn to statutory subject matter in their previous form, Applicants have amended these claims in order to advance the prosecution of this Application. For example, claims 14 and 96 are amended herein to recite “using a computer to provide determine a payment for each of the users based on the licensing fee schedule and a set of payment rules.” Further, claims 42, 43 and 89 are amended to contain similar language. As amended, claims 14, 42, 43, 89 and 96 recite the use of a computer to manipulate data so as to produce a useful, concrete and tangible result: the determination of a payment.

For at least these reasons, claims 14, 42, 43, 89 and 96 are statutory under 35 U.S.C. § 101. Because claims 15-19, 21, 22, 48-50, 65-71, 90, 91 and 99-113 depend from a statutory claim, they are likewise statutory. Accordingly, Applicants respectfully request that the rejection of claims 14-19, 21, 22, 42, 43, 48-50, 65-71, 89-91, 96 and 99-113 under 35 U.S.C. § 101 be withdrawn.

* This recitation was apparently not considered by the Examiner in rejecting these claims under 35 U.S.C. § 101. See *Final Office Action*, p. 2, ll. 9-12.

III. Claim Rejections – 35 U.S.C. §103(a)

1. Independent claims 1, 14, 23, 32, 43, 44, 89 and 92

Claims 43 and 44 recite, “the declining fee schedule is reset when a user updates their consumer information.” Similarly, claims 89 and 92 recite that “a licensing fee paid to a user declines until detection of a predetermined user event.” Further, claims 1, 14, 23 and 32 are amended to contain language similar to that cited with respect to claims 89 and 92. Claims 43, 44 and 92 have not been amended.

In the Final Office Action, the Examiner rejected claims 43, 44, 89 and 92 as being unpatentable over O’Neil et al. and Goldhaber et al. In the rejection, the Examiner admits that neither O’Neil et al. nor Goldhaber et al. teach a declining fee schedule, but asserts that a declining fee schedule was “well known in the art.” To support this proposition, the Examiner cited Stefik et al. (U.S. Patent’6,236,971). However, Stefik et al. does not teach, “the declining fee schedule is reset when a user updates their consumer information” or “a licensing fee paid to a user declines until detection of a predetermined user event.” Moreover, the Examiner does not address these recitations in the rejection. Accordingly, O’Neil et al., Goldhaber et al., and Stefik et al., whether taken alone or in combination, fail to teach each and every recitation of claims 1, 14, 23, 32, 43, 44, 89 and 92, and Applicants respectfully request that the rejection be withdrawn and the claims allowed.

2. Independent claim 42

Claim 42 recites, “one of the set of payment rules includes paying the user for purchasing a product or service from one of the subscribers.” In the rejection, the Examiner cites a passage from Goldhaber et al. in alleging that “providing payment to

the customers in exchange to interaction with the merchandiser's advertising ...
obviously indicates paying the customer for purchasing a merchandiser's product."

Final Office Action, p. 4, ll. 1-3. Applicants respectfully disagree.

Goldhaber et al. discloses paying a customer after the customer reads information or interacts with the information, thereby evidencing that she has paid attention to it. Goldhaber et al., col. 10 ll. 52-55. However, a consumer who merely pays attention to advertising does not thereby "purchase a product or service from one of the subscribers" (emphasis added). Moreover, O'Neil et al. is not relied upon to teach, and does not teach, this deficiency of Goldhaber et al. Accordingly, the rejection of claim 42 is unsupported by O'Neil et al. and Goldhaber et al., whether taken alone or in combination, and Applicants respectfully request that the rejection of claim 42 be withdrawn and the claims allowed.

3. Independent claims 95-98

Claim 95 recites, "the user's response includes authorization to access information about the at least one potential user from a third party source of user information." Claims 96-98 include recitations similar to those in claim 95. As pointed out in section 3 of the Amendment filed February 18, 2004, Goldhaber et al., fails to teach such authorization, either in the cited portions thereof (col. 6, l. 66 – col. 7, l. 11; and col. 12, ll. 49-61) or anywhere else. However, the Examiner failed to address these arguments in the Final Office Action. Moreover, O'Neil et al. is not relied upon to teach, and in fact does not teach, such authorization. Therefore, the rejection of claim 95-98 is unsupported by the art relied upon and Applicants respectfully request that the rejection of these claims be withdrawn and the claims allowed.

4. Dependent claims

Claims 2-8, 10-13, 15-19, 21, 22, 24-28, 30, 31, 33-37, 39, 40, 45-63, 65-71, 73-79, 81-87, 90, 91, 93, 94, 99-113 and 118 depend, directly or indirectly, from one of claims 1, 14, 23, 32, 42, 43, 89 and 92. Accordingly, these claims are allowable for at least the reason that they depend from an allowable claim, and Applicants respectfully request that the rejection of these claims be withdrawn and the claims allowed.

In addition, claims 6, 18, 27, 36 and 104 recite, "setting the licensing fee schedule such that a contributing user receives a percentage of funds received from subscribers for licensing the personal information related to that user." The Examiner alleges that "[T]he usage based (*funds received*) fee charging mechanism is well known in the art (for example cell-phone payment plans)." However, it is unclear how a cell-phone payment plan is an example of "a fee schedule that is based on the funds received from subscribers for licensing the personal information related to that user." Accordingly, Applicants respectfully traverse this assertion and requests that, if this position is maintained with respect to the pending claims, the Examiner either cite a competent prior art reference to substantiate such conclusion, or allow the claims.

Further, claims 10, 11, 21, 22, 30, 31, 39, 40, 90, 91, 93, 94 and 101-103 contain recitations similar to claims 43, 44, 89 and 92, e.g., that the declining fee schedule is reset when, or declines until, the user updates or verifies the information. As argued above, such recitations are neither addressed in the rejection, nor taught by O'Neil et al. or Goldhaber et al. Accordingly, the rejection of claims 10, 11, 21, 22, 30, 31, 39, 40, 90, 91, 93, 94 and 101-103 is improper for at least these additional reasons, and

Applicants request that the rejection of these claims be withdrawn and the claims allowed.

5. Conclusion

Applicant respectfully requests that this Amendment under 37 C.F.R. § 1.116 be entered by the Examiner, placing claims 1-8, 10-19, 21-28, 30-37, 39, 40, 42-63, 65-71, 73-79, 81-87, 89-113 and 118 in condition for allowance. Applicants submit that the amendments of claims 1, 10, 11, 14, 21-23, 30-32, 39 and 40 do not raise new issues or necessitate the undertaking of any additional search of the art by the Examiner, since all of the elements and their relationships claimed were either earlier claimed or inherent in the claims as examined. Therefore, this Amendment should allow for immediate action by the Examiner.

Furthermore, Applicants respectfully point out that the final action by the Examiner presented some new arguments as to the application of the art against Applicant's invention. Because the finality of the Final Office Action was improper, it is respectfully submitted that the entering of the Amendment would allow the Applicants to reply to the new grounds of rejection and place the application in condition for allowance.

Finally, Applicants submit that the entry of the amendment would place the application in better form for appeal, should the Examiner dispute the patentability of the pending claims.

In view of the foregoing remarks, Applicants submit that this claimed invention, as amended, is neither anticipated nor rendered obvious in view of the prior art references cited against this application. Applicants therefore request the entry of this

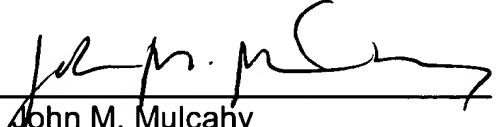
Amendment, the Examiner's reconsideration and reexamination of the application, and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: August 13, 2004

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